VZCZCXRO6839 PP RUEHCHI RUEHDT RUEHHM RUEHNH DE RUEHKL #0867/01 1361133 ZNY SSSSS ZZH P 161133Z MAY 07 FM AMEMBASSY KUALA LUMPUR TO RUEHC/SECSTATE WASHDC PRIORITY 9267 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUEHBY/AMEMBASSY CANBERRA 2314 RHHMUNA/USCINCPAC HONOLULU HI RUEKJCS/SECDEF WASHDC RHEHNSC/NSC WASHDC

S E C R E T SECTION 01 OF 03 KUALA LUMPUR 000867

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DEPT FOR EAP/MTS AND INR

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TAGS: <u>PGOV PREL PINR KDEM KISL MY</u>
SUBJECT: PM ABDULLAH'S AIDE ON ANWAR, ELECTIONS AND NAJIB

REF: A. CLARK-EAP EMAIL OF 1/25/2007 ¶B. KUALA LUMPUR 291 - IMPLICATIONS OF MURDER PROBE

Classified By: POLITICAL SECTION CHIEF MARK D. CLARK, REASON 1.4 (B AND D).

Summary

11. (S) Wan Farid (protect throughout), a political aide to Prime Minister Abdullah Badawi, argued in a May 15 meeting with polchief that opposition figure Anwar Ibrahim's strategy of addressing national issues in the recent Ijok by-election backfired as voters demonstrated that they care most about local rice bowl matters that only the ruling National Coalition (BN) can address. Lacking his own party machinery, Anwar remains very dependent on the Islamic Party of Malayia (PAS) for grassroots organization. Two recent by-elections signaled a weakening of ethnic Chinese support for the BN, though in the end Chinese voters would have little alternative but to endorse the ruling Coalition. Wan Farid and other advisors have recommended PM Abdullah curtail international travel after June and concentrate instead on touring Malaysian states in preparation for the next election. International affairs would not play an important role with voters on election day. Prime Minister Abdullah concluded that Deputy Prime Minister Najib had no connection to the sensationalistic murder of a Mongolian woman, and the PM continues to support Najib's party position. There remains concern, however, over information the defense counsel could raise in the June murder trial of Najib's former advisor and two policemen. End Summary.

Anwar Miscalculates in Ijok

Farid told polchief May 15, echoing commentary in many Malaysian political circles. (Comment: The Ijok by-election was seen as the final litmus test of political party support before the next national election; BN defeated Anwar's candidate by 59 to 40 percent. End Comment.) For example, Anwar tried to attack DPM Najib and BN using the Mongolian murder case (ref B), but most voters remained ignorant of the issue and, Wan Farid joked, thought that Altantuya (the murder victim) was the latest Indonesian pop singer. In addition, Anwar's People's Justice Party (PKR) had almost no grassroots presence, Wan Farid noted, and had to rely very heavily on the opposition Islamist party, PAS. In the end, PAS members would not go all out to support Anwar and PKR. Wan Farid noted with satisfaction that television cameras caught Anwar Ibrahim dancing a jig at an Ijok campaign rally and that such "un-Islamic" behavior would not go down well with PAS members. (Comment: Government-controlled television media gave widespread coverage to Anwar's modest dance along

with commentary that such movements were inappropriate for an Islamic leader. End Comment.)

UMNO Machine Dominates

13. (C) BN and the leading United Malays National Organization (UMNO), in contrast to Anwar, knew that voters focused on local rice bowl issues, Wan Farid affirmed. Malaysian voters responded to immediate projects in their neighborhoods, not to abstract national concerns. BN has the resources to deliver the communities' needs and UMNO has the extensive party machinery that can allocate one party worker for every five voters. No other party comes close to UMNO in this regard.

Chinese Support Wanes, but Has No Alternative

14. (C) Wan Farid admitted that ethnic Chinese support for BN had waned based on results in the past two by-elections, Machap and Ijok. A decrease in Chinese support "supposedly" is a result of the heated Malay racial rhetoric and "kris-waving" during UMNO's party conference in November 2006, at least that was the rationale of Chinese leaders within BN. However, the Chinese were practical people and in the end they would endorse BN as their only realistic alternative, Wan Farid concluded. (Comment: DPM Najib's political secretary Fatmi Salleh (protect) expressed similar concerns over BN's loss of Chinese voters during an April 16 meeting with polchief. Fatmi's comments followed the previous by-election in Machap, which witnessed a BN win, but also a significant decrease in BN votes in several Chinese sub-districts. End Comment.)

PM Advised to Curtail Foreign Travel, Focus on Pre-Campaign

¶5. (C) Wan Farid said that he and other advisors had asked PM Abdullah to curtail his overseas travel after planned trips in June to Afghanistan, the Middle East and Russia. Instead, beginning in July the Prime Minister should begin touring all Malaysian states in preparation for the national election (the date for which has yet to be set). The Prime Minister still might travel abroad for "must do" events, such as the UN General Assembly. Otherwise, Abdullah should spend his time within Malaysia. In response to our question, Wan Farid said international affairs would play little or no role with voters come election day. Although advisors wanted the PM to begin pre-campaign activities in July, they also were weighing the "feel good" factor among voters. This would depend somewhat on money from government contracts under the Ninth Malaysia Plan reaching medium-scale businesses, a consideration that would support holding elections in a year's time, Wan Farid noted.

Najib Retains Abdullah's Confidence

- 16. (S) Wan Farid said Prime Minister Abdullah had concluded his deputy Najib Tun Razak was not involved in the 2006 murder of a Mongolian woman, Altantuya Shaariibuu (ref B). (Comment: In late 2006, Wan Farid reportedly carried out an inquiry at Abdullah's behest that supported this conclusion, ref A.) Najib's former advisor Razak Baginda and two police officers from Najib's security detail will stand trial in June for the murder of the Mongolian national. Wan Farid said Razak Baginda initially had asked for Najib's intervention. Najib might have agreed, Wan Farid said, if this had been "only a case of corruption," but Najib did not wish to get involved in a murder cover-up. As a result of Abdullah's continued support, Najib's government and party positions were not in jeopardy.
- 17. (C) Wan Farid was certain that government prosecutors would limit their trial activities to the murder itself and the three defendants; prosecutors would not follow up on allegations of related corruption or other suspects. Wan

Farid admitted, however, that there remains concern that the defense counsel would bring up extraneous information that could embarrass Najib or the government: "You can't predict or control what the defense will say in open court."

Future Foreign Minister?

18. (C) Wan Farid stated that Foreign Ministry Parliamentary Secretary Ahmad Shabery Cheek was UMNO's choice to succeed

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Syed Hamid Albar as Foreign Minister at some point in the future. Ahmad Shabery Cheek "is being groomed for the role," Wan Farid claimed, while noting Shabery's qualities as an effective UMNO politician. (Comment: We do not have other indications that the relatively young Shabery, who is not known as an UMNO heavyweight, will be the next Foreign Minister. End Comment.)

Comment

- 19. (C) Wan Farid speaks as an insider and loyalist to PM Abdullah. Although he argued that Anwar Ibrahim posed no real political challenge, Wan Farid nevertheless focused much of our discussion and his criticism on the former Deputy Prime Minister and far less on the leading opposition party PAS. Wan Farid told us in January (ref A) that Abdullah had decided not to welcome Anwar back into UMNO, and there was certainly no hint in our May 15 meeting that UMNO views of Anwar had softened following the heated Ijok by-election. On the contrary, UMNO Secretary General Radzi Sheikh Ahmad on April 31 told reporters, "He (Anwar) will not be taken back.
- 110. (C) Guessing the timing of the next national election remains a popular pastime for Malaysian elites and Kuala Lumpur's diplomats. Despite reference to the time needed for public funds to trickle down, Wan Farid left us with a clear impression he expected the elections to take place this year. Election Commission officials quietly have begun training public school administrators on managing polling stations, one sign that the election might take place in the near term. An unsubstantiated rumor among school officials pegs the election in the August/September 2007 timeframe. Malaysia has never held a national election during the Muslim fasting month, which this year falls mid-September to mid-October. If Abdullah is looking to capitalize on a "feel good" factor, scheduling elections in proximity to the 50th Independence Day celebrations on August 31 might provide an opportunity. LAFLEUR